



## United Egg Producers

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June 14, 2004

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Ms. Angela C. Snyder  
Office of the Deputy Administrator  
Poultry Programs  
Agricultural Marketing Service  
US Department of Agriculture  
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Dear Ms. Snyder:

*Angie*

**RE: Docket No. PY-02-006 Ext.**

United Egg Producers (UEP), representing 90% of the shell eggs produced in the United States, appreciates this opportunity to comment on the proposed rule, docket number PY-02-006 Ext., for the exemption of organic egg producers from assessments collected under the authority of the Egg Research and Consumer Information Act 1974 as published in the Federal Register Vol. 69, No. 102 Wednesday, May 26, 2004 on page 29907.

**Organic Provisions in the Law.** In Public Law 107-171 (May 13, 2002), the Farm Security and Rural Investment Act of 2002 (Farm Bill), Section 10607, organic producers who do not produce any conventional or non-organic produce are exempt from assessments for research and promotion. UEP is concerned that certain egg producers who have conventional facilities producing shell eggs that do not meet the requirements of National Organic Program, 7 CFR Part 205, may have subsidiary organic production facilities who take advantage of the exemption allowance. This proposal is for organic producers who are solely organic. UEP feels that any claim for exemption should also be accompanied by documentation provided by the claimant proving that the organic production is not a subsidiary of a conventional egg producing entity. In other words, the burden of proof should rest not on USDA, but on the one seeking the exemption.

**received**  
6-14-04

### Washington Offices

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Ms. Angela C. Snyder  
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**Why the Egg Checkoff.** Congress, in passing the Egg Research and Consumer Information Act of 1974 stated that that it is in the public interest to provide an adequate, steady supply of fresh eggs readily available to the consumers of the Nation. This steady supply of eggs requires a program for research and promotion as Congress noted the importance of a collective program for “financing such programs.”

**Exemptions.** Recognizing certain exemptions should exist, Congress authorized exemptions when passing the Act in 1974. Section 2711 of the Egg Research and Consumer Information Act of 1974 specifies the conditions and circumstances under which producers of shell eggs may be exempt from the assessment including **(1)** Any egg producer whose aggregate number of laying hens at any time during a 3-consecutive-month period immediately prior to the date assessments are due and payable has not exceeded 75,000 laying hens.

**Commerical Organic.** The Farm Bill of 2002 is extending the exemption in the Egg Research and Consumer Information Act of 1974 to include organic egg production. But this exemption only applies if the organic egg producers is solely producing this product. It is logical to assume that organic egg producers are producing eggs in smaller quantities for local markets. However, organic egg producers with more than 75,000 chickens are obviously reaching for more than just local markets and hence should participate in the program designed by Congress to make this product “readily available to the consumers of the Nation.”

UEP appreciates this opportunity to comment on the exemption for organic egg production from assessments under the Egg Research and Consumer Information Act of 1974.

Yours sincerely,



Al Pope

President



Ken Klippen

Vice President for Government Relations